

# HOUSE BILL No. 1105

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-10.2.

**Synopsis:** PERF vesting for local elected officials. Reduces from ten years to eight years the period required for an elected official of a county, city, town, or township to vest in the public employees' retirement fund. (Current law allows a county clerk, auditor, recorder, treasurer, sheriff, or coroner to vest in eight years.)

**Effective:** July 1, 2009.

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January 13, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1105

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-10.2-1-8, AS AMENDED BY P.L.115-2008,  
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2009]: Sec. 8. (a) Except as provided in subsection (b),  
4 "vested status" as used in this article means the status of having ten  
5 (10) years of creditable service.  
6 (b) In the case of a person who is an elected county official whose  
7 governing body has provided for the county official's participation in  
8 the public employees' retirement fund under IC 5-10.3-7-2(1), "vested  
9 status" means the status of having:  
10 (1) at least eight (8) years of creditable service as an elected  
11 county official in an office described in IC 5-10.2-4-1.7;  
12 (2) been elected at least two (2) times if the person would have  
13 had at least eight (8) years of creditable service as an elected  
14 county official in an office described in IC 5-10.2-4-1.7 had the  
15 person's term of office not been shortened under a statute enacted  
16 under Article 6, Section 2(b) of the Constitution of the State of  
17 Indiana; or



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(3) at least ten (10) years of creditable service as a member of the fund based on a combination of service as an elected county official and as a full-time employee in a covered position.

**(c) This subsection does not apply to an elected county official described in subsection (b). In the case of a person who is an elected official of a unit (as defined in IC 36-1-2-23) whose governing body has provided for the elected official's participation in the public employees' retirement fund under IC 5-10.3-7-2(1), "vested status" means the status of having:**

**(1) at least eight (8) years of creditable service as an elected official in an office described in IC 5-10.2-4-1.7 or IC 5-10.2-4-1.8; or**

**(2) at least ten (10) years of creditable service as a member of the fund based on a combination of service as an elected official of a unit and as a full-time employee in a covered position.**

~~(c)~~ **(d)** In the case of a person whose term of office commences after the election on November 5, 2002, as auditor of state, secretary of state, or treasurer of state, and who is prohibited by Article 6, Section 1 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years during any period of twelve (12) years, that person shall be vested with at least eight (8) years of creditable service as a member of the fund.

~~(d)~~ **(e)** This subsection applies to an individual elected to the office of treasurer of state at the election on November 7, 2006. The individual is vested for purposes of this article if the individual is reelected as treasurer of state at the 2010 general election and serves in the office until January 1, 2015.

SECTION 2. IC 5-10.2-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) This subsection applies to:

(1) members of the public employees' retirement fund who retire before July 1, 1995; and

(2) members of the Indiana state teachers' retirement fund who retire before May 2, 1989.

A member who has reached age sixty-five (65) and has at least ten (10) years of creditable service is eligible for normal retirement.

(b) This subsection applies to members of the Indiana state teachers' retirement fund who retire after May 1, 1989, and to members of the public employees' retirement fund who retire after June 30, 1995, except as provided in ~~section~~ **sections 1.7 and 1.8** of this chapter. A member is eligible for normal retirement if:

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(1) the member is at least sixty-five (65) years of age and has at least ten (10) years of creditable service;

(2) the member is at least sixty (60) years of age and has at least fifteen (15) years of creditable service; or

(3) the member's age in years plus the member's years of service is at least eighty-five (85) and the member is at least fifty-five (55) years of age.

(c) A member who has reached age fifty (50) and has at least fifteen (15) years of creditable service is eligible for early retirement with a reduced pension.

(d) A member who is eligible for normal or early retirement is entitled to choose a retirement date on which the member's benefit begins if the following conditions are met:

(1) The application for retirement benefits and the choice of the date is filed on a form provided by the board.

(2) The date must be after the cessation of the member's service and be the first day of a month.

(3) The retirement date is not more than six (6) months before the date the application is received by the board. However, if the board determines that a member is incompetent to file for benefits and choose a retirement date, the retirement date may be any date that is the first of the month after the time the member became incompetent.

SECTION 3. IC 5-10.2-4-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.8. (a) This section applies only to a member of the public employees' retirement fund who:**

**(1) retires after June 30, 2009; and**

**(2) is not an elected county official described in section 1.7 of this chapter.**

**(b) A member is eligible for normal retirement after becoming sixty-five (65) years of age if the member has served as an elected official of a unit (as defined in IC 36-1-2-23) for at least eight (8) years.**

**(c) A member who:**

**(1) has served as an elected official for a unit; and**

**(2) does not meet the requirements of subsection (b);**

**is eligible for normal retirement if the member has attained vested status (as defined in IC 5-10.2-1-8(c)(2)) and meets the requirements of section 1 of this chapter.**

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